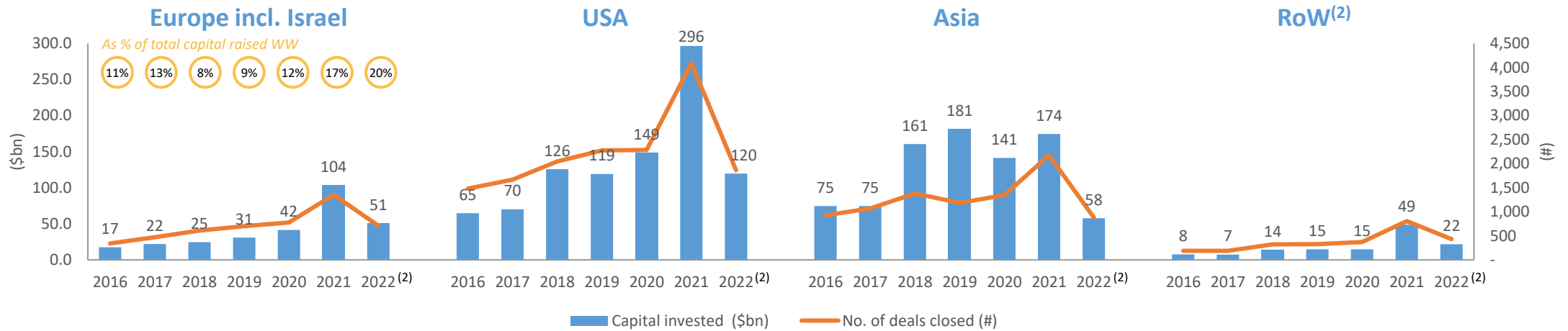




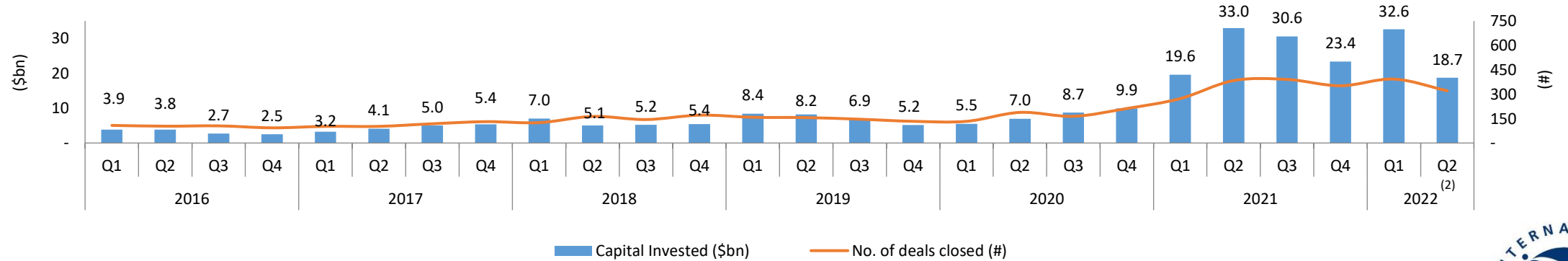
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Venture and growth financing trends

Over \$600 billion of venture & growth capital funding raised globally in 2021⁽¹⁾



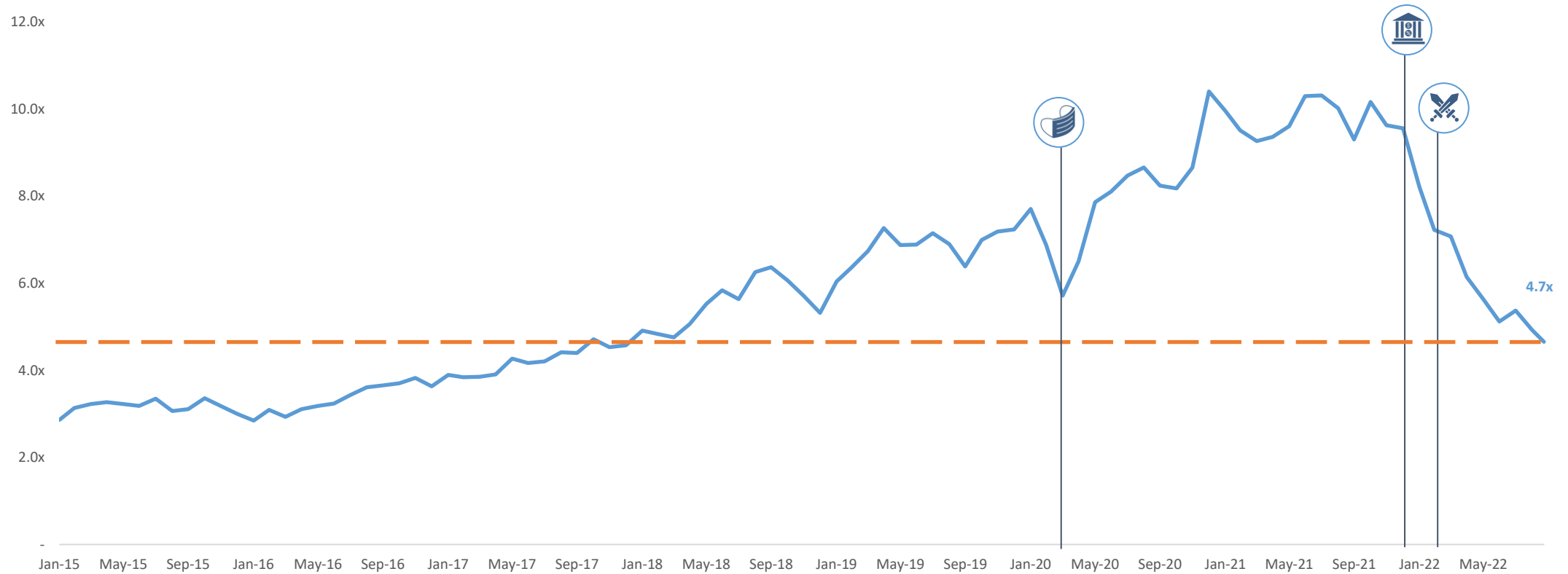
... of which an increasing share is allocated to European companies⁽¹⁾



Notes: (1) Includes only deals above \$10m; (2) Rest of the World: Canada, Central America, South America, Middle East, Oceania; Data set excludes the following sectors: Pharmaceuticals and biotechnology, Infrastructure, Utilities, Chemicals; 2021 data as of 31 December 2021. (2) 2022 data corresponds to 2022YTD as of 30 Jun 2022
Sources: Pitchbook; Arma research














SaaS EV/NTM Revenue multiples over time



Notes: Based on a sample of 84 SaaS companies



Significant variance across sectors

Software sub-sector	Sample size	Revenue growth	EBTIDA margin %	EV / NTM revenue multiples					% change vs now			
				#	CY21-22E	CY22E	Today	Feb-22	LTM	Pre-COVID	Peak ⁽¹⁾	Feb-22
 Collaboration & Productivity	11	15.9%	27.4%	4.24	8.66x	8.84x	6.35x	12.22x	(51.0%)	(52.0%)	(33.3%)	(65.3%)
 E-commerce / MarTech / CX	20	20.2%	11.1%	3.90x	6.01x	6.88x	7.29x	10.57x	(35.2%)	(43.4%)	(46.6%)	(63.1%)
 ERP / financial management	15	21.0%	21.3%	7.72x	8.01x	9.02x	8.25x	11.86x	(3.6%)	(14.4%)	(6.4%)	(34.9%)
 HCM	10	12.9%	28.5%	7.29x	9.89x	9.63x	7.80x	11.79x	(26.3%)	(24.3%)	(6.6%)	(38.1%)
 Healthcare IT	18	12.5%	20.0%	3.66x	4.60x	4.59x	3.91x	5.34x	(20.5%)	(20.2%)	(6.5%)	(31.4%)
 Industrial Tech	18	10.0%	31.2%	6.55x	7.56x	7.97x	5.40x	10.13x	(13.5%)	(17.9%)	21.2%	(35.4%)
 Infrastructure	38	17.8%	15.1%	3.60x	5.39x	5.10x	5.38x	7.47x	(33.2%)	(29.4%)	(33.1%)	(51.8%)
 Security	24	14.8%	12.6%	6.44x	7.88x	8.02x	6.67x	9.51x	(18.3%)	(19.8%)	(3.6%)	(32.3%)
 SCM	10	13.8%	23.1%	7.54x	10.70x	10.80x	6.49x	13.74x	(29.6%)	(30.2%)	16.1%	(45.2%)
 Vertical apps – BFSI	11	7.6%	29.7%	4.47x	5.39x	5.20x	5.66x	6.53x	(17.0%)	(14.1%)	(21.0%)	(31.5%)
 Vertical apps - Other	14	14.0%	28.1%	4.49x	5.46x	5.56x	5.35x	8.07x	(17.9%)	(19.4%)	(16.2%)	(44.4%)

- 1 Collaboration & Productivity** – significant spike in valuation driven by the move to flexible working post-pandemic, which has since cooled off
- 2 E-commerce, MarTech and CX:** stocks have faced a tougher spending environment post- COVID
- 3 Security, Vertical Apps, and ERP** more resilient than other subsectors since sell off following invasion of Ukraine
- 4** Despite recent sell-off, certain sub-sectors remain less impacted relative to pre-COVID forward multiples, including **HCM** (current tight labour market), **Healthcare** (shift to telehealth), **Security** (increased remote working, increase in cyber-crime, Ukraine war) and **Industrial Tech** and **SCM** (ongoing strong digitisation in those sectors)

Note: (1) Peak is highest monthly valuation over the L3Y period; (2) CY21-CY22E; (3) CY22E
Sources: Mergermarket, Capital IQ, 451 Research





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